



The Commonwealth of Massachusetts

DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

NOTICE OF FILING AND REQUEST FOR COMMENTS

D.T.E. 06-74

September 13, 2006

Request of Fitchburg Gas and Electric Light Company d/b/a Unitil for Approval of a Large Customer Basic/Default Service Procurement Pilot Program.

On August 31, 2006, Fitchburg Gas and Electric Light Company d/b/a Unitil ("Unitil" or "Company") filed a request for approval by the Department of Telecommunications and Energy ("Department") to initiate a pilot program concerning the procurement of basic/default service for its largest commercial and industrial customers (rate class G3). According to the Company, over time there has been reduced wholesale supplier interest in offering fixed monthly priced supply for its large basic/default service customers. In order to increase wholesale supplier interest, the pilot program would provide for the solicitation of a variable monthly price service.¹ The variable prices would consist of the load-weighted monthly average of the real-time locational marginal price ("LMP") for the West Central Massachusetts load zone plus a fixed monthly adder to cover all non-energy related costs (including capacity, ancillary services, and ISO-NE administrative charges). Under the variable monthly pricing option, the basic/default service rates would not be known in advance of customers' receipt of service because the weighted average LMP would not be known until after the month of service. The Company has requested that the Department approve its pilot program on or before October 6, 2006.

The Department will accept written comments regarding the Company's proposed pilot program until the close of business (5:00 p.m.) on **September 22, 2006**. An original and four (4) copies of all written comments must be filed with Mary L. Cottrell, Secretary, Department of Telecommunications and Energy - One South Station - 2nd Floor, Boston, Massachusetts 02110 not later than the close of business on September 22, 2006. One copy of all written comments should also be sent to the Company's attorney, Gary Epler, Esq., Unitil Service Company, 6 Liberty Lane West, Hampton, New Hampshire 03842.

¹ The Company would also solicit fixed monthly prices, as is the current practice. Once the bids are received, the Company will determine whether to accept the fixed monthly prices or the variable monthly priced service.

A copy of the Company's request is available at the Department's offices, One South Station, Boston, Massachusetts for public view during normal business hours. Copies are also on file for public view at Unitil Service Corp., 6 Liberty Lane West, Hampton, New Hampshire 03842. Any person desiring further information regarding the proposed pilot program should contact counsel for the Company, Gary Epler, Esq., at (603) 773-6440. Any person desiring further information regarding this notice should contact Sheila Renner, Hearing Officer, Department of Telecommunications and Energy, at (617) 305-3500.

All written comments also should be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to dte.efiling@state.ma.us and sheila.renner@state.ma.us or (2) on a 3.5" disk or CD-ROM. The text of the e-mail or the disk label must specify: (1) the docket number of the proceeding, (D.T.E. 06-74), (2) name of the person or company submitting the filing, and (3) a brief descriptive title of the document. The electronic filing also should include the name, title, and telephone number of a person to contact in the event of questions about the filing. Text responses should be created in either Corel WordPerfect, Microsoft Word, or as an Adobe-compatible PDF file. Data or spreadsheet responses should be compatible with Microsoft Excel. All comments submitted in electronic format will be posted on the Department's Web site: <http://www.mass.gov/dte/>.